

GLOBAL GATEWAY CERTIFICATIONS



MALAYSIAN SUSTAINABLE PALM OIL (MSPO)


CERTIFICATION AUDIT REPORT

Part 2: General Principles for Independent Smallholders

Malaysian Palm Oil Board
Sustainable Palm Oil Cluster T3 Setiu, Terengganu.

MAIN ASSESSMENT 16th October 2018 – 18th October 2018

Revision History					
Rev	Date	Description	Performed by	Role	Signature
A	21/12/18	Issued as Draft Report	Mohamad Fitri Mustafa	Lead Auditor	
B	04/01/19	Incorporated Peer Review Comments and Issued for Final Report	Mohamad Fitri Mustafa	Lead Auditor	

Acknowledgment by MPOB Setiu, Terengganu					
Rev	Date	Description	Management Representative	Role	Signature
B	16/01/2019	Acceptance of the contents	Mr. Nik Khairol Affendi Bin Mohamad	Sustainability, Conservation & Certification Unit	

Declaration

The auditor(s) has (had) no personal, business or other ties to the client and the assessment is carried out objectively and independently.



WITH INTEGRITY WE SERVE

Confidentiality clause: This audit report is confidential and limited in distribution to Global Gateway Certifications Sdn. Bhd. and to the organisation audited. It remains the exclusive property of the certification body, therefore it is forbidden to reproduce either partially or in totality without the formal authorization of the certification body.

Table of Contents

SECTION I : PUBLIC SUMMARY REPORT	3
1.1 Certification Scope	3
1.2 Company details and Contact information.....	3
1.3 Certification Unit.....	4
1.4 Map Showing Geographical Location	8
1.5 Production Area, Actual and Projected FFB Production (MT)	9
1.6 Certificate Details.....	10
1.7 Qualification of the Lead Assessor and Assessment Team.....	11
1.8 Audit Methodology.....	11
1.9 Audit Plan Information	12
1.10 Audit Result Summary Findings.....	12
1.11 Stakeholder Consultation.....	13
1.12 Recommendation.....	14
1.13 Date of Next Surveillance Audit.....	14
1.14 Confidentiality	14
1.15 Abbreviations Used	15
SECTION II : ASSESSMENT FINDINGS BY PRINCIPLES AND CRITERIA	15
2.1 Principle 1 : Management commitment and responsibility.....	16
2.2 Principle 2 : Transparency	16
2.3 Principle 3 : Compliance to legal requirements.....	16
2.4 Principle 4 : Social responsibility, health, safety and employment condition	16
2.5 Principle 5 : Environment, natural resources, biodiversity, and ecosystem services.....	16
2.6 Principle 6 : Best practices.....	16
2.7 Principle 7 : Development of new planting.....	16
2.8 Details of Audit Findings.....	16

Note: Section II of this report contain confidential information and been protected from public disclosure.

SECTION I : PUBLIC SUMMARY REPORT

1.1 Certification Scope

Global Gateway Certifications Sdn. Bhd. (GGC) has conducted the **Certification Assessment of Sustainable Palm Oil Cluster (SPOC) T3 Setiu** located in **Terengganu**. This certification unit is located at **60 KM** from **Kuala Terengganu Airport**. There are **50 numbers of smallholders** in this certification unit. The smallholder's estates area are in Setiu, Besut and Kuala Terengganu. The plantations managed by **MPOB Setiu Branch**.

During this Main Assessment (Stage 2) Audit, the audit team briefed by Group Manager and his team, of the supply base disposition. At this moment, **SPOC T3 Setiu** have **50** smallholders totalling of **109.99** Hectare.

The formula for calculating sample size of the audit is explained in the risk classification determination as per Malaysian Sustainable Palm Oil (MSPO) Risk Management (Doc No: MPOB/MSPO/RMP/06 dated 19 Nov 2013). Thus, 13 smallholders were sampled for documentation verification and site visit.

This assessment was conducted onsite from **16th October 2018 to 18th October 2018** by 3 auditors to assess the compliance of the certification unit against the **MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General principles for Independent Smallholders and MSPO Guidance - Part 2_Edited Version (100114)**.

As per the MSPO System Document's requirements, GGC already conducted Stage 1 Audit on **16th August 2018**.

The scope of certification is "**Management of Sustainable Oil Palm Plantations from Cultivation, Planting and Production of Fresh Fruit Bunches**".

1.2 Company details and Contact information

Company Name	Malaysia Palm Oil Board (MPOB)
Business Address	Malaysia Palm Oil Board (MPOB), SPOC T3 Setiu, Lot 2607, No 7 (Tingkat 1), Perkedai MDS-UDA, 22100 Bandar Permaisuri Terengganu
Contact Person	Mr. Wan Mohd Syambaru Bin Wan Mat (Group Manager)
Office Telephone	+609-6090282
E-Mail	syambaru@mpob.gov.my



1.3 Certification Unit

Name of the Certification Unit Sustainable Palm Oil Cluster (SPOC) T3 Setiu, Terengganu.

Site Address Malaysia Palm Oil Board (MPOB),
SPOC T3 Setiu,
Lot 2607, No 7 (Tingkat 1), Perkedaian MDS-UDA,
22100 Bandar Permaisuri,
Terengganu.

GPS Reference of the site office **Longitude** E 102.7477°

Latitude N 5.5186°

Others Sustainability Certification Nil

Member Site Details

No.	Name	Lot No.	Longitude	Latitude	Address
1	Borhan Juhdi Bin Jusoh	Lot 1533	102°29'17.44"E	5°37'13.02"N	Pasir Akar
2	Ismail Bin Awg Hamat	Lot 50785	102°48'55.011"E	5°19'47.473"N	Hulu Nerus
3	Juariah Bt Mat Nor	Lot 1054	102°46'13.577"E	5°29'53.889"N	Hulu Setiu
4	Mohd Nasir Bin Mat Ali	Lot 714	102°42'21.58"E	5°28'58.26"N	Hulu Seladang
5	Junus Bin Abd Rahman	Lot 2227	102°48'2.64"E	5°30'36.70"N	Tasik
6	Lua Chee Hoo	Lot 3731	102°52'1.72"E	5°22'38.03"N	Hulu Nerus
7	Lua Chee Seng	Lot 3731	102°51'52.65"E	5°22'33.69"N	Hulu Nerus
8	Lua Kim Hut	Lot 3731	102°51'47.19"E	5°22'31.39"N	Hulu Nerus
9	Lua Kok Cheong	Lot 3731	102°51'39.60"E	5°22'28.30"N	Hulu Nerus
10	Minah Bt Said	Lot 2225	102°48'5.41"E	5°30'38.05"N	Tasik
11	Mohamad Bin Ismail	Lot 2207	102°34'30.40"E	5°38'58.86"N	Jabi
12	Mohammad NoOr Bin Hasan	Lot 4080	102°41'54.56"E	5°34'55.15"N	Guntung
13	Mohd Bin Abdullah	Lot 71913	102°53'36.59"E	5°31'31.47"N	Calok
14	Mohd Farizam Bin Mamat	Pt 14076	102°52'40.67"E	5°28'34.50"N	Calok
15	Mohd Fauzey Bin Zuhdi	Lot 16288	102°50'37.29"E	5°18'26.63"N	Hulu Nerus
16	Mustapa Bin Ismail	Lot 3091	102°38'54.93"E	5°39'4.73"N	Jabi
17	Nik Hasnah Binti Nik Mat	Lot 2078	102°40'32.73"E	5°37'28.89"N	Guntung
18	Omar Bin Jusoh	Lot 2566	102°50'42.22"E	5°23'36.573"N	Hulu Setiu
19	Ruzita Binti Mat Ali	PM 345	102°47'29.48"E	5°33'30.99"N	Tasik
20	Saidi Bin Jusoh	Lot 2358	102°29'17.43"E	5°37'12.99"N	Pasir Akar



21	Salleh Bin Mamat	Lot 2376	102°28'34.40"E	5°39'11.68"N	Pasir Akar
22	Siti Zaitun Bt Syed Ibrahim	Lot 5089	102°21'43.86"E	5°48'48.00"N	Hulu Setiu
23	Tg . Normadiyah Bt Tg. Saleh	Lot 10455	102°53'51.504"E	5°17'43.224"N	Hulu Nerus
24	Ya'acob Bin Harun	Lot 1662	102°28'5.56"E	5°41'42.69"N	Lubuk Kawah
25	Zaini Bin Mat	Lot 824	102°45'05.862"E	5°32'47.804"N	Guntung
26	Zahari Bin Ismail	Lot 749	102°40'1.59"E	5°28'41.86"N	Hulu Setiu
27	Zahari Bin Idris	Lot 57399	1024727.71E	5.333.72N	Guntung
28	Rosyatimah Binti Che Awang	Lot 15297	102°48'17.45"E	5°17'49.97"N	Hulu Setiu
29	Rugayah Bt Mat Jusoh	Lot 529	102°48'35.22"E	5°22'3.83"N	Hulu Nerus
30	Jamiah Binti Abdullah	Lot 503	102°41'9.57"E	5°29'21.80"N	Hulu Seladang
31	Anuar Bin Abu Bakar	Lot PT 16196	102°52'34.33"E	5°20'10.95"N	Kuala Nerus
32	Zulaida Bt Mohamad	Lot 60618	102°49'37.25"E	5°24'52.47"N	Calok
33	Ali Bin Abd Ghani	Lot 2947	102°53'31.33"E	5°32'27.76"N	Hulu Nerus
34	Norasila Laila Bt Zakariya	Lot 13797	102°53'46.00"E	5°31'29.85"N	Calok
35	Nor Intan Binti Zubir	Lot 16287	102°50'35.84"E	5°18'27.59"N	Hulu Nerus
36	Jusoh Bin Ali	Lot 174	102°30'40.59"E	5°32'35.94"N	Pelagat
37	Wan Azman Bin Wan Idris	Lot 1238	102°27'51.63"E	5°43'10.43"N	Pelagat
38	Muhammad Farid Bin Hamzah	Lot 1089	102°27'50.86"E	5°43'59.48"N	Pelagat
39	Tuan Hassan Bin Tuan Senik	Lot 2040	102°27'39.47"E	5°43'37.58"N	Pelagat
40	Lua Wei Siang	Lot 776	102°28'57.52"E	5°33'25.88"N	Tenang
41	Lua Kim Shong	Lot 776	102°28'56.85"E	5°33'24.65"N	Tenang
42	Ab Hamid B.Hamzah	Lot 2419	102°30'44.62"E	5°32'40.96"N	Hulu Besut
43	Mohd Pawzi Bin Abd Ghani	Lot 2010	102°50'58.21"E	5°20'9.85"N	Hulu Nerus
44	Muhammad Jaafar B Ab Kadir	Lot 4422	102°28'5.62"E	5°32'36.55"N	Hulu Besut
45	Ariffadillah B Abdullah	Lot 8319	102°51'6.71"E	5°25'5.17"N	Calok
46	Ibrahim B Hj Mahmud	Lot 942	102°29'35.05"E	5°36'47.38"N	Tenang
47	Kamariah Bt Che Soh	Lot 1829	102°35'0.87"E	5°40'33.97"N	Jabi
48	Mohd Zaid B Mamat	Lot 1076	102°28'8.81"E	5°28'41.37"N	Hulu Besut
49	Mohd Azizi B Che Soh	Lot 1828	102°34'59.69"E	5°40'34.73"N	Jabi
50	Ghazali B Ismail	Lot 3563	102°30'19.09"E	5°32'52.83"N	Hulu Besut

MPOB License Information

No	Name of Member	Licence Number	Expiry Date	Scope Activity
1	Borhan Juhdi Bin Jusoh	598690001000	30/04/2023	Selling and transporting FFB
2	Ismail Bin Awg Hamat	565245001000	31/07/2021	Selling and transporting FFB
3	Juariah Bt Mat Nor	565250101000	31/07/2021	Selling and transporting FFB
4	Mohd Nasir Bin Mat Ali	565236101000	31/07/2021	Selling and transporting FFB
5	Junus Bin Abd Rahman	565325001000	31/07/2021	Selling and transporting FFB
6	Lua Chee Hoo	601157501000	30/06/2019	Selling and transporting FFB
7	Lua Chee Seng	601165601000	30/06/2023	Selling and transporting FFB
8	Lua Kim Hut	601160501000	30/06/2023	Selling and transporting FFB
9	Lua Kok Cheong	601163001000	3/06/2023	Selling and transporting FFB
10	Minah Bt Said	565326001000	3/07/2021	Selling and transporting FFB
11	Mohamad Bin Ismail	599313201000	30/04/2023	Selling and transporting FFB
12	Mohammad NoOr Bin Hasan	598692001000	30/04/2023	Selling and transporting FFB
13	Mohd Bin Abdullah	566065001000	31/07/2021	Selling and transporting FFB
14	Mohd Farizam Bin Mamat	565606001000	31/07/2021	Selling and transporting FFB
15	Mohd Fauzey Bin Zuhdi	601076501000	30/06/2023	Selling and transporting FFB
16	Mustapa Bin Ismail	575701001000	31/01/2022	Selling and transporting FFB
17	Nik Hasnah Binti Nik Mat	592790401000	30/11/2022	Selling and transporting FFB
18	Omar Bin Jusoh	559382001000	31/01/2021	Selling and transporting FFB
19	Ruzita Binti Mat Ali	560312101000	31/01/2021	Selling and transporting FFB
20	Saidi Bin Jusoh	59869001000	30/04/2023	Selling and transporting FFB
21	Salleh Bin Mamat	575901001000	30/04/2023	Selling and transporting FFB
22	Siti Zaitun Bt Syed Ibrahim	592781401000	01/05/2023	Selling and transporting FFB
23	Tg . Nornadiah Bt Tg. Saleh	479538001000	28/02/2020	Selling and transporting FFB
24	Ya'acob Bin Harun	515794601000	31/01/2019	Selling and transporting FFB
25	Zaini Bin Mat	565250001000	31/07/2021	Selling and transporting FFB
26	Zahari Bin Ismail	601170201000	30/06/2023	Selling and transporting FFB
27	Zahari Bin Idris	560312101000	31/03/2021	Selling and transporting FFB
28	Rosyatimah Binti Che Awang	587150001000	31/03/2021	Selling and transporting FFB
29	Rugayah Bt Mat Jusoh	662430201000	31/03/2021	Selling and transporting FFB
30	Jamiah Binti Abdullah	60116801000	30/06/2023	Selling and transporting FFB
31	Anuar Bin Abu Bakar	434426701000	01/07/2023	Selling and transporting FFB
32	Zulaida Bt Mohamad	486585001000	02/07/2023	Selling and transporting FFB
33	Ali Bin Abd Ghani	458647101000	31/07/2021	Selling and transporting FFB
34	Norasila Laila Bt Zakariya	486591400000	32/07/2021	Selling and transporting FFB
35	Nor Intan Binti Zubir	565683701000	31/07/2021	Selling and transporting FFB
36	Jusoh Bin Ali	433526901000	30/04/2019	Selling and transporting FFB



37	Wan Azman Bin Wan Idris	486545001000	01/05/2019	Selling and transporting FFB
38	Muhammad Farid Bin Hamzah	486547101000	31/03/2022	Selling and transporting FFB
39	Tuan Hassan Bin Tuan Senik	486549000000	31/03/2022	Selling and transporting FFB
40	Lua Wei Siang	498534401000	31/03/2022	Selling and transporting FFB
41	Lua Kim Shong	498534401000	31/10/2019	Selling and transporting FFB
42	Ab Hamid b.Hamzah	600778101000	30/06/2023	Selling and transporting FFB
43	Mohd Pawzi bin Abd Ghani	446542101000	01/07/2023	Selling and transporting FFB
44	Muhammad Jaafar b Ab Kadir	51847900100	31/03/2019	Selling and transporting FFB
45	Ariffadillah b Abdullah	433164601000	31/03/2019	Selling and transporting FFB
46	Ibrahim b Hj Mahmud	581270701000	30/04/2022	Selling and transporting FFB
47	Kamariah bt Che Soh	433539001000	01/05/2022	Selling and transporting FFB
48	Mohd Zaid b Mamat	547700201000	30/06/2020	Selling and transporting FFB
49	Mohd Azizi b Che Soh	434326901000	01/07/2020	Selling and transporting FFB
50	Ghazali b Ismail	518485401000	31/03/2019	Selling and transporting FFB



1.4 Map Showing Geographical Location

a) SPOC T3 Setiu, Terengganu



1.5 Production Area, Actual and Projected FFB Production (MT)**Producer Group** SPOC T3 Setiu, Terengganu**Total Production area (ha)** 109.99

No.	Name	Certified Area (Ha)	Year Planted
1	Borhan Juhdi Bin Jusoh	1.44	2016
2	Ismail Bin Awg Hamat	2.65	2012
3	Juariah Bt Mat Nor	2.50	1997
4	Mohd Nasir Bin Mat Ali	0.96	2000
5	Junus Bin Abd Rahman	1.20	2014
6	Lua Chee Hoo	4.17	2016
7	Lua Chee Seng	4.17	2016
8	Lua Kim Hut	4.17	2016
9	Lua Kok Cheong	4.17	2016
10	Minah Bt Said	0.86	2014
11	Mohamad Bin Ismail	1.87	2017
12	Mohammad Noor Bin Hasan	1.27	2011
13	Mohd Bin Abdullah	2.26	2009
14	Mohd Farizam Bin Mamat	2.40	2010
15	Mohd Fauzey Bin Zuhdi	3.47	2008
16	Mustapa Bin Ismail	2.45	2008
17	Nik Hasnah Binti Nik Mat	3.36	2013
18	Omar Bin Jusoh	2.50	2013
19	Ruzita Binti Mat Ali	0.93	2011
20	Saidi Bin Jusoh	1.23	2016
21	Salleh Bin Mamat	2.25	2018
22	Siti Zaitun Bt Syed Ibrahim	2.30	2015
23	Tg . Nornadiah Bt Tg. Saleh	0.73	1998
24	Ya'acob Bin Harun	1.90	2016
25	Zaini Bin Mat	1.26	2014
26	Zahari Bin Ismail	0.81	2014
27	Zahari Bin Idris	1.01	2015
28	Rosyatimah Binti Che Awang	2.34	2016
29	Rugayah Bt Mat Jusoh	3.03	2016
30	Jamiah Binti Abdullah	2.46	2015
31	Anuar Bin Abu Bakar	1.62	2014
32	Zulaida Bt Mohamad	2.09	2015
33	Ali Bin Abd Ghani	1.24	2015
34	Norasila Laila Bt Zakariya	1.14	2015
35	Nor Intan Binti Zubir	3.27	2014
36	Jusoh Bin Ali	1.88	2014



37	Wan Azman Bin Wan Idris	2.03	2014
38	Muhammad Farid Bin Hamzah	1.56	2014
39	Tuan Hassan Bin Tuan Senik	2.09	2014
40	Lua Wei Siang	3.85	2014
41	Lua Kim Shong	3.85	2014
42	Ab Hamid B.Hamzah	2.23	2013
43	Mohd Pawzi Bin Abd Ghani	3.59	2014
44	Muhammad Jaafar B Ab Kadir	0.48	2015
45	Ariffadillah B Abdullah	1.72	2015
46	Ibrahim B Hj Mahmud	2.64	2016
47	Kamariah Bt Che Soh	1.37	2015
48	Mohd Zaid B Mamat	3.79	2014
49	Mohd Azizi B Che Soh	1.00	2015
50	Ghazali B Ismail	2.43	2013

1.6 Certificate Details

Certification body

Global Gateway Certifications Sdn. Bhd.,
No. 10 Jalan Rasmi 7, Taman Rasmi Jaya,
68000 Ampang,
Selangor Darul Ehsan, Malaysia.
Tel.: +603 4256 2689; Fax: +603 4256 2687
Website: www.ggc.my

Assessment standard

MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2:
General Principles for Independent Smallholders and MSPO
Guidance - Part 2_Edited Version (100114)

Certificate number

GGC-MPOB007-MSPO-00-2019

Initial certificate issued date

15th January 2019

Certificate expiry date

14th January 2019

Stage 1 assessment date

16th August 2018

Stage 2 / Main Assessment

16th October to 18th October 2018

Annual Surveillance 1 [ASA 1]

September 2019

Annual Surveillance 2 [ASA 2] September 2020

Annual Surveillance 3 [ASA 3] September 2021

Annual Surveillance 4 [ASA 4] September 2022

1.7 Qualification of the Lead Assessor and Assessment Team

Lead Auditor

Name: Mohamad Fitri Mustafa

Graduate in degree of agribusiness with more than 8 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in ISCC and MSPO auditing since September 2017. Qualified as Lead Auditor/Auditor for MSPO, RSPO and ISO 9001. Completed and certified MSPO Auditor course in 2018 held by SGS (M) Sdn Bhd. Member of GGC MSPO audit team. Able to speak and understand Bahasa Malaysia and English.

Auditor

Name: Surenthiran Panneerselvam

He is graduated from University of Abertay Dundee, Scotland, UK majoring in PgDip/ MSc Oil and Gas Accounting and also graduated from Universiti Tenaga Nasional, Malaysia with a Bachelor's Degree in Accounting. Prior to joining Shell Business Operation as a Senior Cash Management Executive, he worked with Crowe Horwath as Senior Associate Auditor. He is equipped with experience in audit field, lecturing and accounting. Fully trained in Malaysian Sustainable Palm Oil (MSPO2530), Roundtable Sustainable Palm Oil (RSPO), ISO9001:2015 and ISO37001:2016. Completed and certified MSPO auditor course in year 2018 held by SGS Academy and ISO9001:2015 auditor course in year 2017 by TOMC. Able to communicate in both English and Bahasa Malaysia (written and spoken).

Auditor

Name: Muhd Jamalul Arif bin Hamid

Graduated in Plantation Management and Cargo Surveying from local university. Experience in auditing since 2011 in RSPO P&C, SCCS, ISCC, MSPO, SMETA, GMP B2 & B3, ESCAS Animal Welfare and Global Gap standards. Working experience in handling Q&Q cargo survey for agricultural products in bulks such Palm Oil, Soybean, Sugar etc.

Completed ISO 9001:2008 Lead auditor in 2011, trained in ISO 19011 & 17021 requirements in 2014. Also, completed and certified MSPO Auditor course in 2014 (3rd Batch) held by MPOB. Involved in MSPO assessment since 2014. Member of GGC MSPO audit team.

Involved in audits for RSPO P&C and SCCS conducted in Malaysia, Indonesia, Colombia, Ivory Coast, Papua New Guinea and middle east country. Able to speak and understand Bahasa Malaysia and English.

1.8 Audit Methodology

The audit was conducted based on sampling following the method as specified in the MSPO requirements (MSPO-Questionnaire Self-Assessment – RA). The sampling was calculated and determined prior to the audit assessment.

The assessment activities include of documents review and site inspection. The documents that had been reviewed among others were company policy, internal procedures, management system procedures, waste management procedures, legal documents etc. Significant issues that would impact to the environmental and social were also been verified.

The methodology for collection of objective evidence was established during physical site inspections, observation of tasks and processes, interviews of stakeholders, interview of officers, review of documents and data. Checklists and questionnaires were used to guide the collection of information and the comments made by external stakeholders were also been taken into consideration in this assessment.

Appendix A (Audit Plan) details the actual assessment plan. Stakeholders were consulted randomly during the assessment to obtain feedback on the management compliance and performance (Appendix C) of MSPO.

1.9 Audit Plan Information

Audit Date	16 th October 2018 to 18 th October 2018
Name of site(s) visited	SPOC T3 Setiu, Terengganu
Total number of man-days spent	9 man-days

1.10 Audit Result Summary Findings

Category	Numbers	Status (Closed/Open/Not Applicable/No Action Requires)
Major Nonconformities	2	Closed
Minor Nonconformities	2	Closed
Area of Concern	1	No action requires
Noteworthy /Positive Comments	2	No action requires

1.11 Stakeholder Consultation

In this stakeholders meeting, external and internal stakeholders were presented which came from local communities, government agencies, workers and etc. In overall, there are lots of positive issues highlighted by the stakeholders during the meeting. There are tremendous improvements either from environmental, social and safety aspect. There are also positive statements given by the participants required aspects in MSPO especially in social aspect. These statements were accepted by the management representative as a good feedback and will do the necessary.

GGC has published the public notification on 13th September 2018 through GGC website as per following link: <https://www.ggc.my/>.

The details are as per table below,

No	Stakeholders Name	Subject raised / Identified Risk	Company response and proposed action to be taken. [What we did]	Assessment team findings [Outcome]
1.	Stakeholder A (FFB Collector)	<ul style="list-style-type: none"> • He has a brief understanding about MSPO. • For him, MSPO is a good move by the government in order to protect our industry, however, there must be a clear benefit to the growers especially to the smallholder such as a good FFB price since the implementation of MSPO is quite costly. 	No action requires	Positive findings
2.	Stakeholder B (Miller)	<ul style="list-style-type: none"> • Good understanding on MSPO since the mill itself involve with MSPO implementation. • They mentioned about the quality FFB not to send young and rotten bunch to mill. • Overall, they are happy with the MPOB management. 	No action requires	Positive findings
3.	Stakeholder C (government authorities)	<ul style="list-style-type: none"> • They are not aware of MSPO and its implementation. 	No action requires	Positive findings

		<ul style="list-style-type: none"> • However, they don't receive any problem from the oil palm planting in the Setiu area. 		
4.	Independent Smallholders D	<ul style="list-style-type: none"> • He satisfied with the MPOB management. • No issue raised. 	No action requires	Positive findings

1.12 Recommendation

The company has established Sustainability Manual for policy, objectives and procedures that define an effective system for the administration and control of sustainability management system throughout all operation activities of **SPOC T3 Setiu**. Group Manager is in charge and ensures that facility and his subordinates comply with the requirements and procedures stated in this manual.

The management is committed to comply with MSPO system by giving awareness training to all personnel involved in this standard to make them understand the procedures and implementation of the standard. The smallholders are aware of the requirements of MSPO. There was no complaint or feedback received during this Main Assessment Audit.

This report will be internally reviewed prior to certification decision by GGC and externally peer reviewed by qualified panel reviewers. During this Main Assessment (Stage 2) Audit MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General Principles for Independent Smallholders and MSPO Guidance - Part 2_Edited Version (100114), **2 major non-conformities, 2 minor non-conformities and 1 area to concern** has been raised to the facilities that being audited. Please refer to part 3.2, non-conformity table for details. The major non-compliances were closed on **29th November 2018** after submission of corrective action by the Group Manager. The verification audit assessment carries out is evident and therefore these major non-compliances are closed.

Since the audit objectives as mentioned in the audit plan have been achieved and assessment resulted with closed the major non-conformity findings. Therefore, the Lead Auditor recommends to award the certificate of **MS 2530-2:2013 Malaysian Sustainable Palm Oil (MSPO) Part 2: General Principles for Independent Smallholders** and MSPO Guidance - Part 2_Edited Version (100114) to **SPOC T3 Setiu**.

1.13 Date of Next Surveillance Audit

The first annual surveillance assessment visit will be scheduled after 12 months of the MSPO Certificate being issued.

1.14 Confidentiality

GGC auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.

1.15 Abbreviations Used

BOD	Biological Oxygen Demand
CHRA	Chemical Health & Risk Assessment
CIP	Continuous Improvement Plan
COD	Chemical Oxygen Demand
CoP	Code of Practise
CSPO	Certified Sustainable Palm Oil
CPO	Crude Palm Oil
CSPK	Certified Sustainable Palm Kernel
DOE	Department of Environmental
DOSH	Department of Occupational Safety and Health Malaysia
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
FFB	Fresh Fruit Bunch
FGS	Finished Good Stock
GAP	Good Agriculture Practise
GHG	Greenhouse Gas
GGC	Global Gateway Certifications Sdn Bhd
HIRARC	Hazard Identification, Risk Assessment and Risk Control
ISCC	International Sustainability & Carbon Certification
IPM	Integrated Pest Management
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysian Palm Oil Certification Council
MSPO	Malaysian Sustainable Palm Oil
NCR	Non-Conformance Report
NGO	Non-Government Organization
OHS	Occupational Health & Safety
OHSAS	Occupational Health and Safety Assessment Series
PK	Palm Kernel
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social Environmental Impact Assessment
SOP	Standard Operating
SPO	Sludge Palm Oil
SPOC	Sustainable Palm Oil Cluster

